

DOCKET FILE COPY ORIGINAL

From: Tim Size
To: CCB CCBSecretary
Date: Tue, Jan 14, 2003 9:56 AM
Subject: Docket nos 96-45 and 97-21, Withdrawal Of Appeal; HCP# 12646

Below and attached is a Word file with an electronic signature re the withdrawal of our 11110102 appeal

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Federal Communications Commission
Office of the Secretary
Attention: Rural Health Care Program Appeal
9300 East Hampton Drive
Capitol Heights, MD 20743

January 14th, 2002

Docket nos. 96-45 and 97-21

Re: In the Matter of: Request for Review by Rural Wisconsin Health Cooperative of Decision of Universal Service Administrator: Rescindment Of Eligibility of Universal Service Support For Funding Years 2001 and 2002 for Rural Wisconsin Health Cooperative, HCP# 12646.

Dear Secretary Dortch:

Please accept this letter as a withdrawal of our appeal to the Federal Communications Commission (FCC) of the decision by the Rural Health Care Division (RHCD) of the Universal Service Administrative Company (USAC) to rescind their authorization of the Rural Wisconsin Health Cooperative's (RWHC) eligibility for Universal Service Support for Funding Years 2001 and 2002.

This action is based on a discussion initiated last week by Bill England at RHCD and was confirmed by him in an email to me on January 8th, 2003 as noted below

"As we discussed by phone, RHCD has been reviewing your situation, and concluded that it could be handled without determining if RWHC is an eligible entity by making each of the eligible rural HCP's using RWHC's T-1 lines a part applicant for the line. There is no problem with who actually pays for the line. Under our 'third party payer' scenario, the eligible rural HCP can designate any payer to receive the discounted bill for the line, as long as the benefit of the discount accrues to the eligible entity."

"This simply means that we need applications from each eligible facility that has been using the T-1 lines. For example, if you have 10 entities using the lines and 9 are eligible rural HCPs, we would need 9 Form 4661468 'packets,' each claiming 1/10th of the line, or since I think you have 2 lines, each claiming 2x .1 line, or equivalently, 20% of a line. The Forms would be identical except for name, address and start-up date (if they vary). First, put together a spreadsheet showing all sites (eligible and ineligible) and all services and costs, and then allocate services and costs to each site so the total service and cost columns equal the actual service and cost. You can then refer to that spreadsheet in the Form 466s for all sites. The carrier (Norlight I think) could do the same for the Form 468s. The only problem is if more sites join

during the year, it all must be redone. That's not a problem for Funding Year 2001, but if more sites may get connected between now and June 30, 2003, it would be preferable to submit packets for 2003 next June, once you know exactly which sites to include in the spreadsheet. You need to do the spreadsheet allocations by month if sites join mid year."

This approach is acceptable to us as an interim solution and we appreciate the expressed willingness of the RHCD to work with us to make the process as efficient as possible. However, the current policy constraint of not recognizing "consortia" as "entities" under any scenario clearly conflicts with espoused regulatory simplification goals. We continue to strongly believe in the correctness of the policy issue raised in our appeal and we hope that it will receive the serious attention it merits as part of the FCC's upcoming review of the Rural Health Care Support Mechanism.

On May 15th, 2002, the FCC published a Notice of Proposed Rulemaking (NPRM) for the Rural Health Care Support Mechanism seeking comments from any interested parties for making new rules for the program. Our comments submitted to you on May 23rd requested that the FCC include otherwise eligible "entities" such as RWHC in its definition of "consortia." As we said then, "while we understand the FCC's need to guard against fraud and abuse it is obvious that RWHC meets the published eligibility criteria as well as the spirit of the program."

We continue to respectfully request that the FCC clarify this issue as it considers new rules for the Rural Health Care Support Mechanism. We have been told by the RHCD that the FCC is planning to do so late this Spring. If we can provide any additional perspective during these deliberations, please do not hesitate to contact us.

Sincerely,

Tim Size
Executive Director

cc RWHC Hospitals
Wisconsin Hospital Association
Wisconsin Federation of Cooperatives
National Rural Health Association
National Cooperative Business Association
Rural Health Care Division (RHCD) of the
Universal Service Administrative Company

CC: Bill England